

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

JOHN UTESCH, Individually and on Behalf  
of All Others Similarly Situated,

Plaintiff(s),

v.

LANNETT COMPANY, INC., ARTHUR P.  
BEDROSIAN, and MARTIN P. GALVAN,

Defendants.

Civil Action No. 2:16-cv-005932-WB

**CLASS ACTION**

Judge Wendy Beetlestone

**JOINT STIPULATION REGARDING DISMISSAL  
OF DEFENDANT LANNETT COMPANY, INC.**

**WHEREAS**, on May 2, 2023, Defendant Lannett Company, Inc. (“Lannett”) and certain of its affiliates each filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”);<sup>1</sup>

**WHEREAS**, on May 3, 2023, Lannett filed a *Joint Prepackaged Chapter 11 Plan of Reorganization of Lannett Company, Inc. and its Debtor Affiliates*, Case No. 23-10559, Docket No. 16 (the “Plan” (including its subsequent revisions)) in the Bankruptcy Court;

**WHEREAS**, among other things, the Plan provides that the claims of the certified Class in the above-caption action (the “Action”), classified as Class 9 or “Section 510(b) Claims,” were to be canceled, released, and extinguished and will receive no distribution under the Plan;<sup>2</sup>

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<sup>1</sup> Lannett and its debtor affiliates are collectively referred to as “Debtors.”

<sup>2</sup> Capitalized terms not defined herein are defined either in the Memorandum of Law in Support of Plaintiffs’ Motion for Class Certification in this Action (ECF No. 121-1) or in the Plan.

**WHEREAS**, the Plan provides that claims, such as the ones asserted by the Class in this Action, would be released and discharged against Lannett upon occurrence of the Effective Date;

**WHEREAS**, the Plan contains a release of certain non-Debtor third parties' claims against Debtors, Reorganized Debtors, and certain non-Debtors (the "Third-Party Release"), which may have included the claims asserted by the Class against the individual defendants in this Action;

**WHEREAS**, on June 2, 2023, Lead Plaintiff, on behalf of itself and the Class, filed an opt out from the Third-Party Release, which was authorized by stipulation, and Bankruptcy Court Order dated June 1, 2023;

**WHEREAS**, on June 8, 2023, the Bankruptcy Court entered an order confirming the Plan, Case No. 23-10559, Docket No. 243;

**WHEREAS**, on June 16, 2023, the Effective Date of the Plan occurred;

**WHEREAS**, given the Bankruptcy Court's approval of the Plan and the Effective Date of the Plan having occurred, Lead Plaintiff, pursuant to the order confirming the Plan, can no longer pursue the claims asserted in this Action against Defendant Lannett;

**WHEREAS**, the parties have conferred about dismissing Defendant Lannett from this Action;

**WHEREAS**, on July 14, 2023, the United States Court of Appeals for the Third Circuit (the "Third Circuit") lifted the stay it had imposed in the appeal of this Action; and

**WHEREAS**, on July 14, 2023, the Third Circuit issued its mandate, which also appears on the District Court docket (ECF No. 220);

**IT IS HEREBY STIPULATED AND AGREED**, by and among the attorneys for Plaintiffs and the attorneys for Defendants, that:

1. Lead Plaintiff on behalf of itself and the Class, as a consequence of the Plan, confirmed by order of the Bankruptcy Court, voluntarily dismisses with prejudice Defendant Lannett from this Action, subject to this Court's approval and corresponding order as provided in the form of this Stipulation.

2. Until this Action and any appeals therefrom are fully and finally resolved, Lannett (as Reorganized Debtor), shall preserve all documents relevant to this Action, including those documents responsive to discovery demands previously served by Lead Plaintiff upon Lannett.

3. Lead Plaintiff and Lannett (as Reorganized Debtor, a third party) agree to timely meet and confer in good faith to resolve any differences between them regarding any new third-party subpoenas Lead Plaintiff may serve on Lannett (as Reorganized Debtor).

Dated: September 6, 2023

By: /s/ David M. Promisloff  
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*Attorneys for Defendant Lannett Company,  
 Inc.*

**IT IS SO ORDERED:**

**BY THE COURT:**

/s/Wendy Beetlestone, J.

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**WENDY BEETLESTONE, J.**

**DATE: 10/11/2023**

**CERTIFICATE OF SERVICE**

I hereby certify that on September 6, 2023, I submitted the parties' Joint Stipulation Regarding Dismissal of Defendant Lannett Company, Inc. to Judge Beetlestone's chambers via facsimile. Notice of submission will be sent to counsel of record via electronic mail.

I certify under the penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on September 6, 2023.

/s/ David M. Promisloff